0001 M/045/0049
TASK 3046
CC: Leslie

6/11/2009

To: Leslie Hepler
From: Rick Havenstrite
Subject: Cactus Mill

Enclosed is a shot at amending the Cactus Mill Permit.

Have arbitrarily volunteered to post additional $25,000 bond.

I sent a copy to Rob Herbert @ Division of Water Quality.

Have initiated conversations with Larry Gerahanna @ BLM.

Intend to utilize Heart Mine Permit S0450023 with $25,200 bond on separate request. Some details in this amendment just FYI.

Have requested copies of S0450023 and M450049 from Vicky.

Rick Havenstrite
Rickh@odcnv.com
775-848-5193

DESERT HAWK GOLD CORP.
1290 Holcomb Ave. • Reno, NV 89502

Rick Havenstrite P.E.
President

Phone: 775.337.8057 Email: rickh@odcnv.com
Fax: 775.322.6867 Website: deserthawkgold.com

0001

FORM MR-(E)REV
(Revised January 2003)

FOR DOGM USE ONLY:
File #:(E)_____/_____-__( )
Approved: (mm/dd/yy) ___/___/___
Bond Adjustment: ($)_____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO REVISE EXPLORATION PROJECTS

When an operator intends to revise an exploration project, a **Notice of Intention to Revise Exploration Projects** shall be filed with the Division. The notice must include all information, concerning the revision, that would have been required if it had been included in the original Notice of Intention (NOI). Ideally, the revision application should be a "stand-alone" document and include all information necessary to conduct a complete review.

"REVISION" means a **significant change** to the approved Notice of Intention to Conduct Exploration Activities, which will increase the amount of land affected or alter the location and type of onsite surface facilities such that the nature of the reclamation plan will differ substantially from the approved Notice of Intention. Revisions require a formal public notice of tentative approval and may require a change in the amount of reclamation surety.

"AMENDMENT" is an **insignificant change** to the approved Notice of Intention. An amendment requires Division approval, but does not require public notice.

The Division will determine whether a request for change is significant or insignificant on an individual case-by-case basis.

PLEASE NOTE: When applicable, reference to previously approved information contained in the original NOI can be used (identify volume #'s, section, page #, plate/map #'s, & date of submittal). If possible, please attach appropriate copies of the referenced material as part of the application for revision.

Where possible, please format the application to revise exploration projects (e.g., text, maps, tables, figures, etc.) to allow direct insertion into the original NOI as replacement pages, or as a separate addendum to the approved NOI.

The operator is encouraged to use this form as a guide only. Please use extra sheets as necessary to complete each section that follows.

The following information must be included as part of the application to revise exploration projects:

I. GENERAL INFORMATION (Rule R647-2-104)

1. **Name of Operator/Applicant:** Desert Hawk Gold Corp - Opera
2. **Name of Company/Corporation:** in JV with Clifton Mining
3. **Address:** 8921 North Indian Trail Rd - Suite 288
   Spokane WA 99208
4. **Phone:** (509) 467 8204 **Fax:** (509) 468 - 1937
5. **Name of Mine/Project:** Cactus Mill
6. **Previously Assigned File Number:** Mill - M450049 (Cactus M.
   *from original Notice of Intention (NOI)
7. **Location of Proposed Activities:**

COUNTY Tooele

Mill at NW¼ NW¼ Section 2 - T8S - R18W

8. **Ownership of Land Surface:**

Private (Fee) X Owners Name(s): Clifton Mining

State of Utah ____ Public Domain (BLM) X National Forest (USFS) ____

9. **Ownership of Minerals:**

Private (Fee) X Owners Names(s): Clifton Mining

State of Utah ____ Public Domain (BLM) X National Forest (USFS) ____

10. **BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s):**

11. **Utah State Lease Numbers(s):** N/A

VIII. SIGNATURE REQUIREMENT

The application for permit change must include a section similar to the following example:

I hereby certify that the foregoing is true and correct. I also certify that I am duly authorized to bind the company/corporation to this Notice.

Rick Havenstrite
Signature of Owner or Officer:

Rick Havenstrite
Name (Typed or Print):

Pres - Desert Hawk Gold Corp.
Title of Owner or Officer:

Date: 5/28/2009

June 10, 2009

Request to--- Amend Cactus Mill Permit # M450049
Utilize Herat Mining Permit # S0450023

Desert Hawk Gold Corp has entered a joint venture agreement with Clifton Mining and the Moeller Family Trust to develop the ores of the Gold Hill and Clifton District.

The District, though highly mineralized, has not been commercially produced since approximately 1940. Many different types of mineralization, different ore types, and low tonnages of each ore type have made the district unattractive to larger companies. The Cactus Mill ran unsuccessfully for short periods over the last 20 years.

Desert Hawk Gold intends to test the ore types of the district focusing initially on ores which can be heap leached. Oxide copper ores of the district are highly amenable to sulfuric acid leaching. We intend to test this on a fairly small scale (3 acres) at the mill site. There may be several heap piles within each containment. The oxide copper ores will come primarily from the Yellow Hammer patented claims.

All new activity around the mill will be on previously disturbed ground , within the fenced permitted 9 acre Cactus Mill area. All ores are highly and completely oxidized.

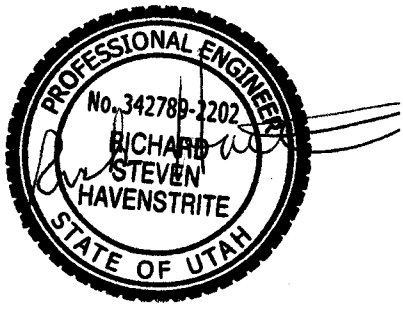
Mining will be primarily from the Yellow hammer with some from Cane Springs Mine if deemed possible. All disturbance at the mill is within fenced, previously disturbed, and currently bonded area.

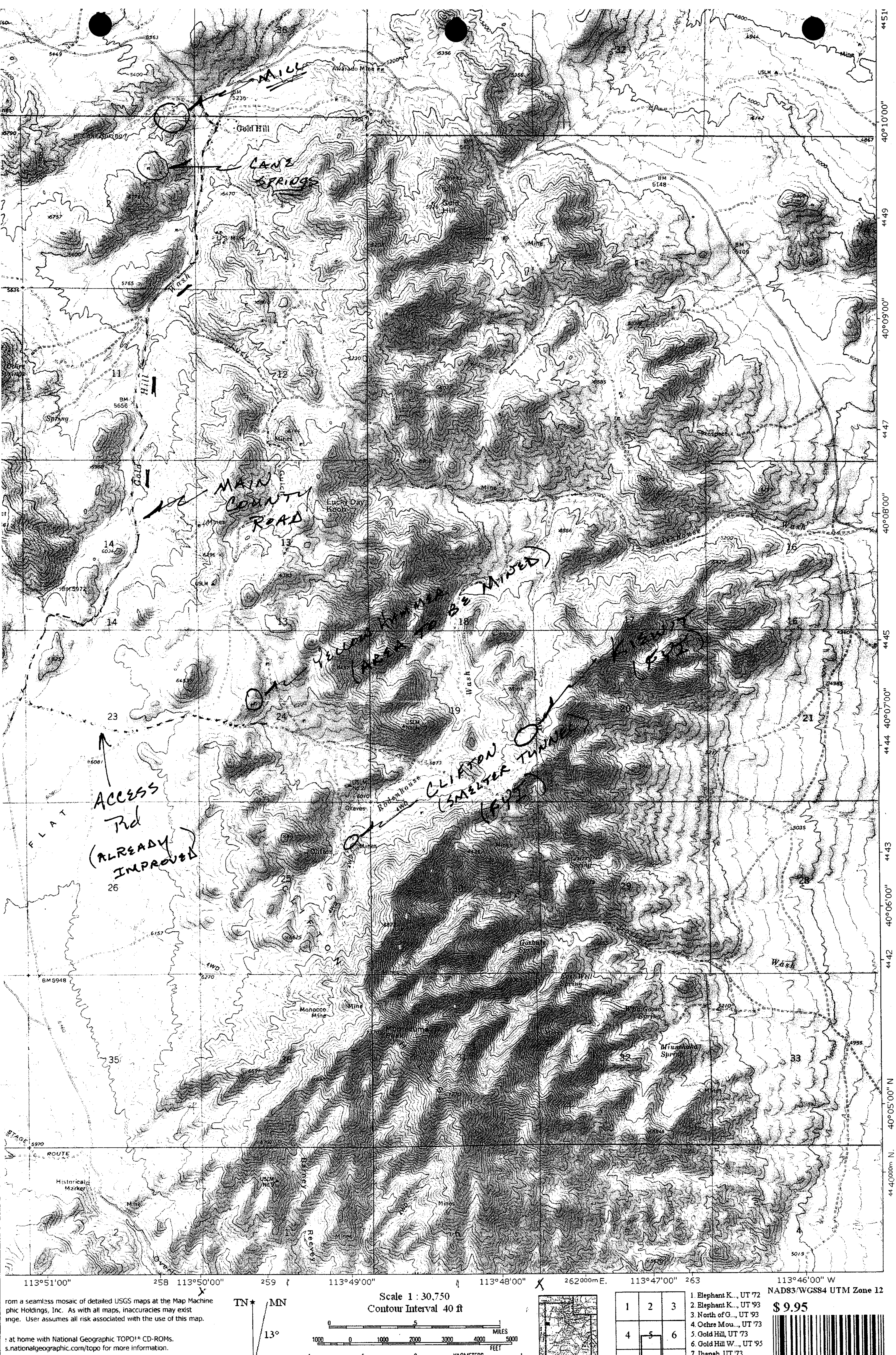
Cane Springs, located 1000 feet above the mill has very poor water quality that is not potable. It contains high levels of dissolved magnesium and other metals.

Annual precipitation of less than 8" and annual evaporation rates of + 60" will ensure solution volumes can be minimized-- both during the tests and after they are complete. 48 hour 100 year storm events are only 2"-- it is a very arid region.

11. Maps, Drawings, and photographs--

a) 7.5 Minute Quad showing mill area and mine areas--
b) Google Earth Ariel Photo-- Existing Site-- approx 1" = 300'
c) Google Earth Ariel Photo-- Existing Site-- approx 1" = 100'
d) " " " " -- Site with proposed overlain test cells
e) Test cells/fence/berms 1" = 100'
f) Process Test area 1" = 100' surveyed to scale
g) Process Test area cross section
h) Process Test area plastic
l) Patented claim map of Mine Area-- yellow Hammer 1" = 1000'
j) Misc. Photos of existing mill site




MILL
CANE SPRINGS
MAIN COUNTY ROAD
YELLOW HAMMER (AREA TO BE MINED)
KIEWIT (PIT)
CLIFTON (SMELTER TUNNEL) (PIT)
ACCESS Rd (ALREADY IMPROVED)
Gold Hill
Alvarado Mine
Lucky Day Knob
Graves
Clifton
Mines
Monocco Mine
Goshute Spring
East Well Spring
Wild Goose Spring
Minnehaha Spring
Historical Marker
STAGE ROUTE
FLAT
CLIFTON
Rodenhouse Wash
Barney Reevey
Prospect
BM 5148
BM 5109
BM 5656
BM 5972
BM 5948
USLM
40°10'00"
40°09'00"
40°08'00"
40°07'00"
40°06'00"
40°05'00" N
4451
4449
4447
4445
4444
4443
4442
4440000m N.
113°51'00"
258 113°50'00"
259
113°49'00"
113°48'00"
262000m E.
113°47'00"
263
113°46'00" W

rom a seamless mosaic of detailed USGS maps at the Map Machine
phic Holdings, Inc. As with all maps, inaccuracies may exist
ange. User assumes all risk associated with the use of this map.

: at home with National Geographic TOPO!® CD-ROMs.
s.nationalgeographic.com/topo for more information.

NATIONAL GEOGRAPHIC

TN MN 13°

Magnetic Declination
On 03/05/09

Scale 1 : 30,750
Contour Interval 40 ft

MILES / FEET / KILOMETERS / METERS

This map was printed by JAM

MAP LOCATION IN UTAH

ADJOINING 7.5' QUADS

1. Elephant K..., UT '72
2. Elephant K..., UT '93
3. North of G..., UT '93
4. Ochre Mou..., UT '73
5. Gold Hill, UT '73
6. Gold Hill W..., UT '95
7. Ibapah, UT '73
8. Clifton, UT '73
9. Goshute W..., UT '93

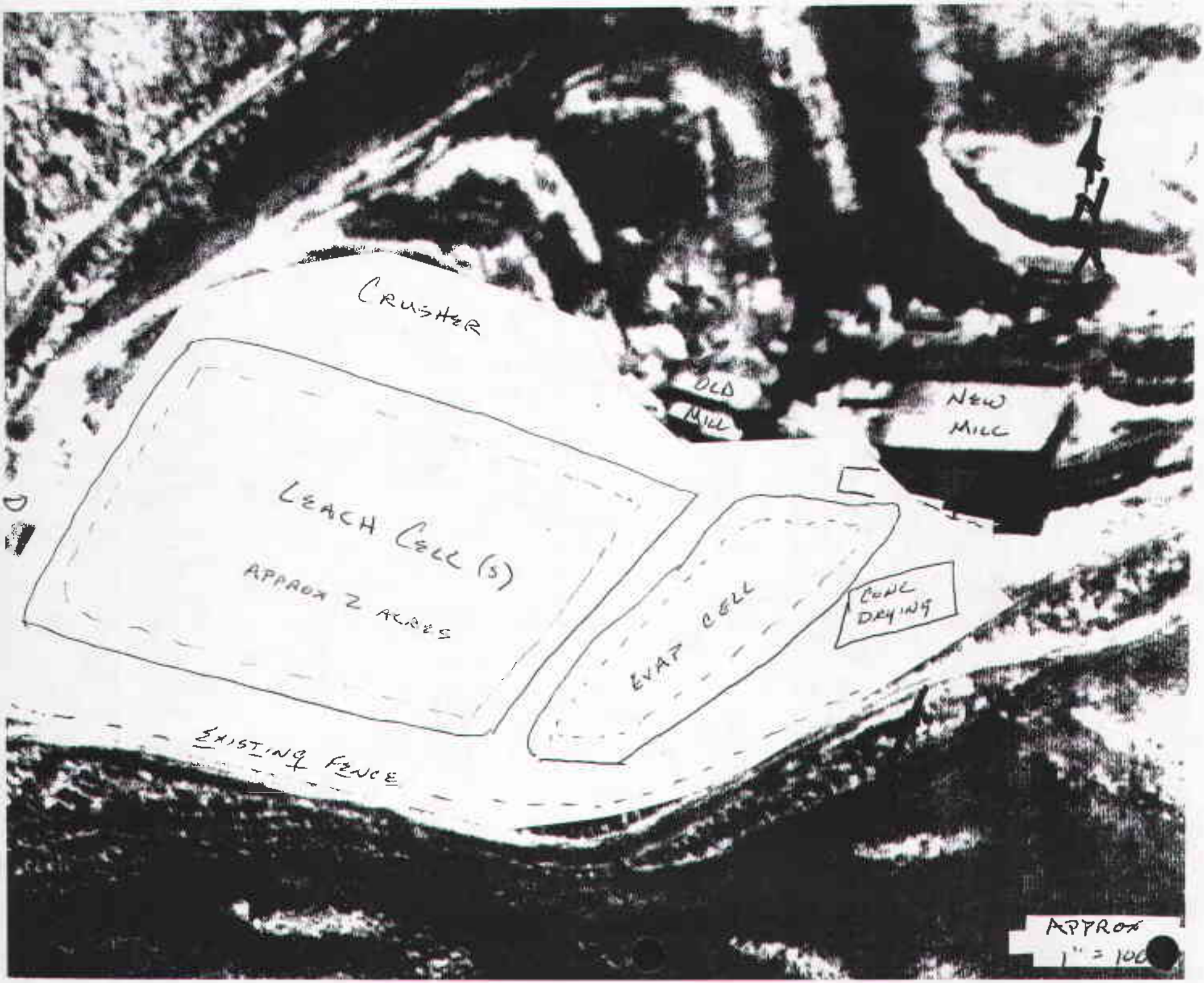
NAD83/WGS84 UTM Zone 12

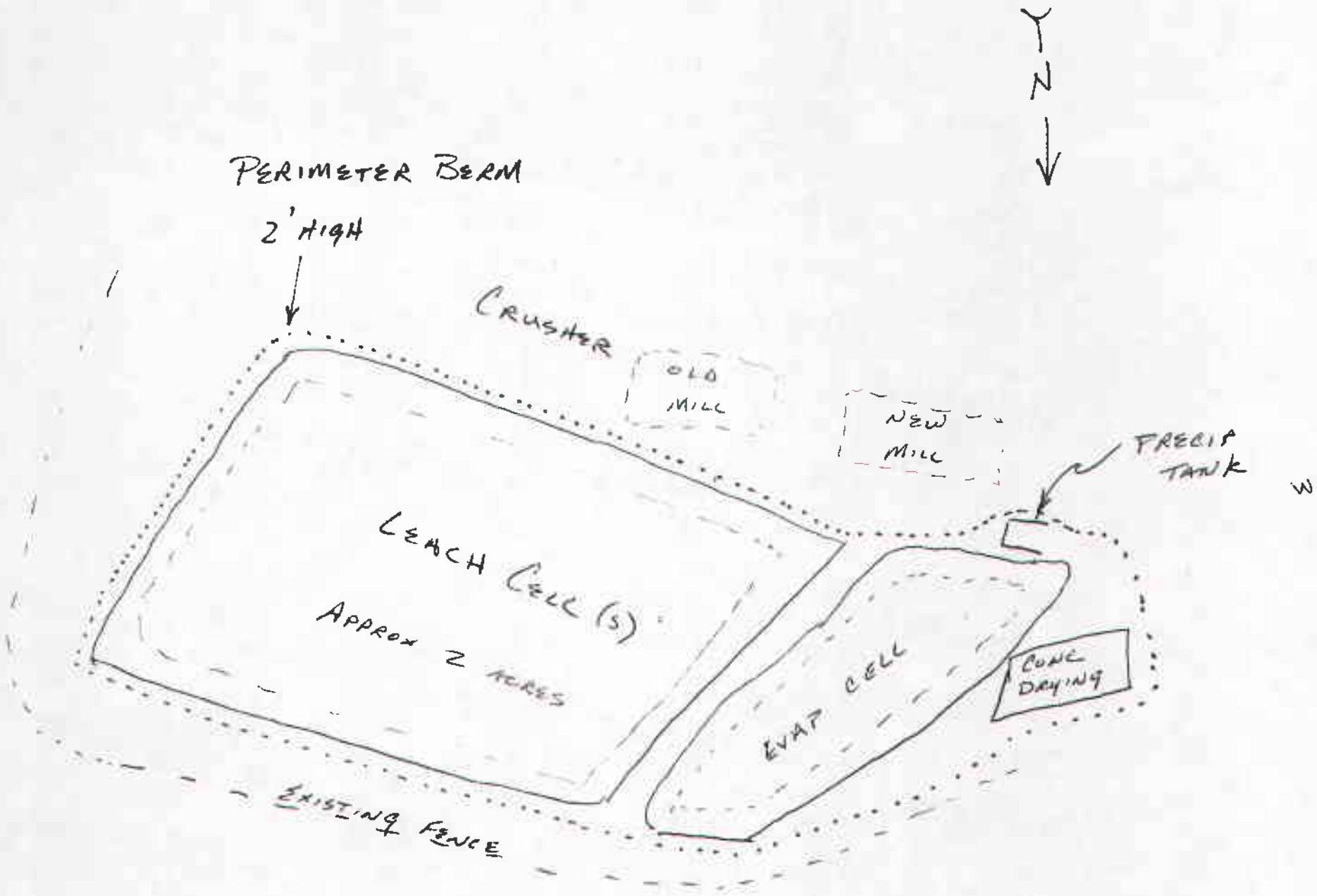
$ 9.95

EXISTING SITE

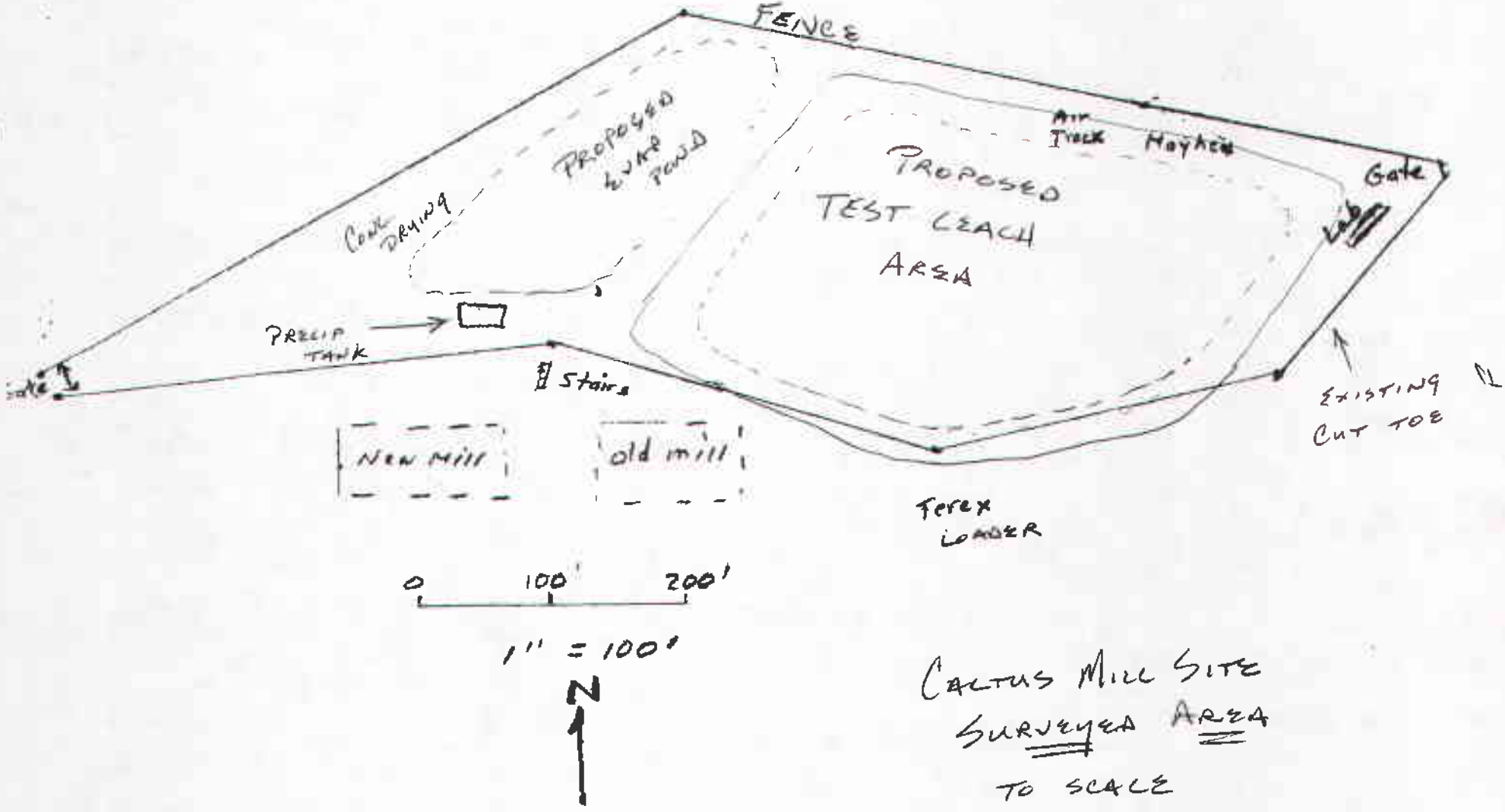
approx 1" = 300'


EXISTING SITE
N
APPROX
1" = 100'

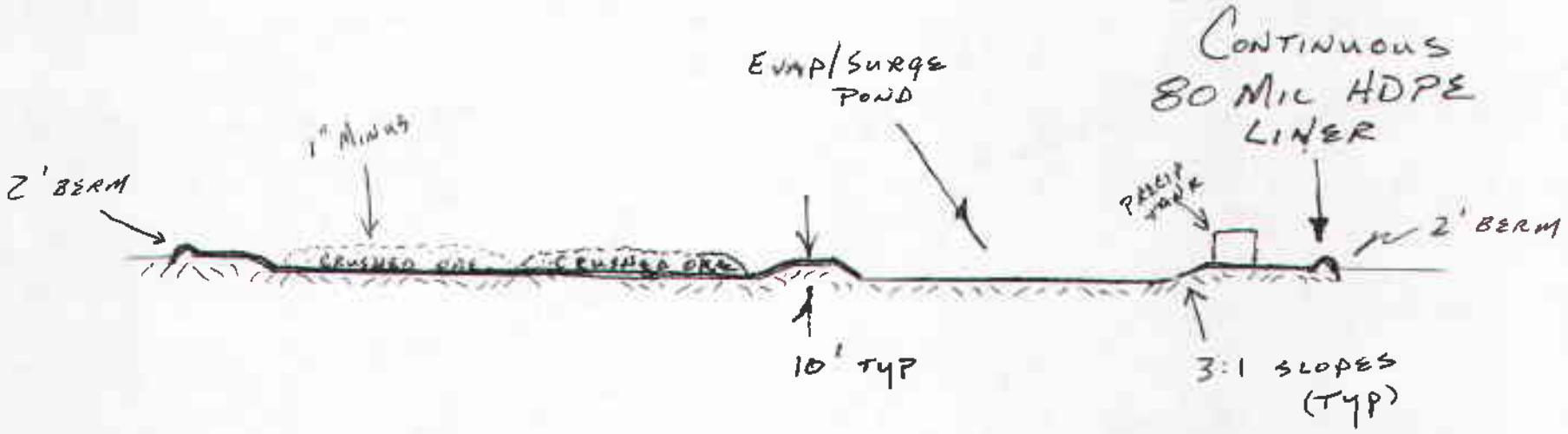

CRUSHER
OLD MILL
NEW MILL
LEACH CELL (S)
APPROX 2 ACRES
EVAP CELL
CONC DRYING
EXISTING FENCE
APPROX
1" = 100


N
PERIMETER BERM
2' HIGH
CRUSHER
OLD MILL
NEW MILL
PRECIP TANK
LEACH CELL (S)
APPROX 2 ACRES
EVAP CELL
CONC DRYING
EXISTING FENCE
W

APPROX 1" = 100'



CALTUS MILL SITE
SURVEYED AREA
TO SCALE

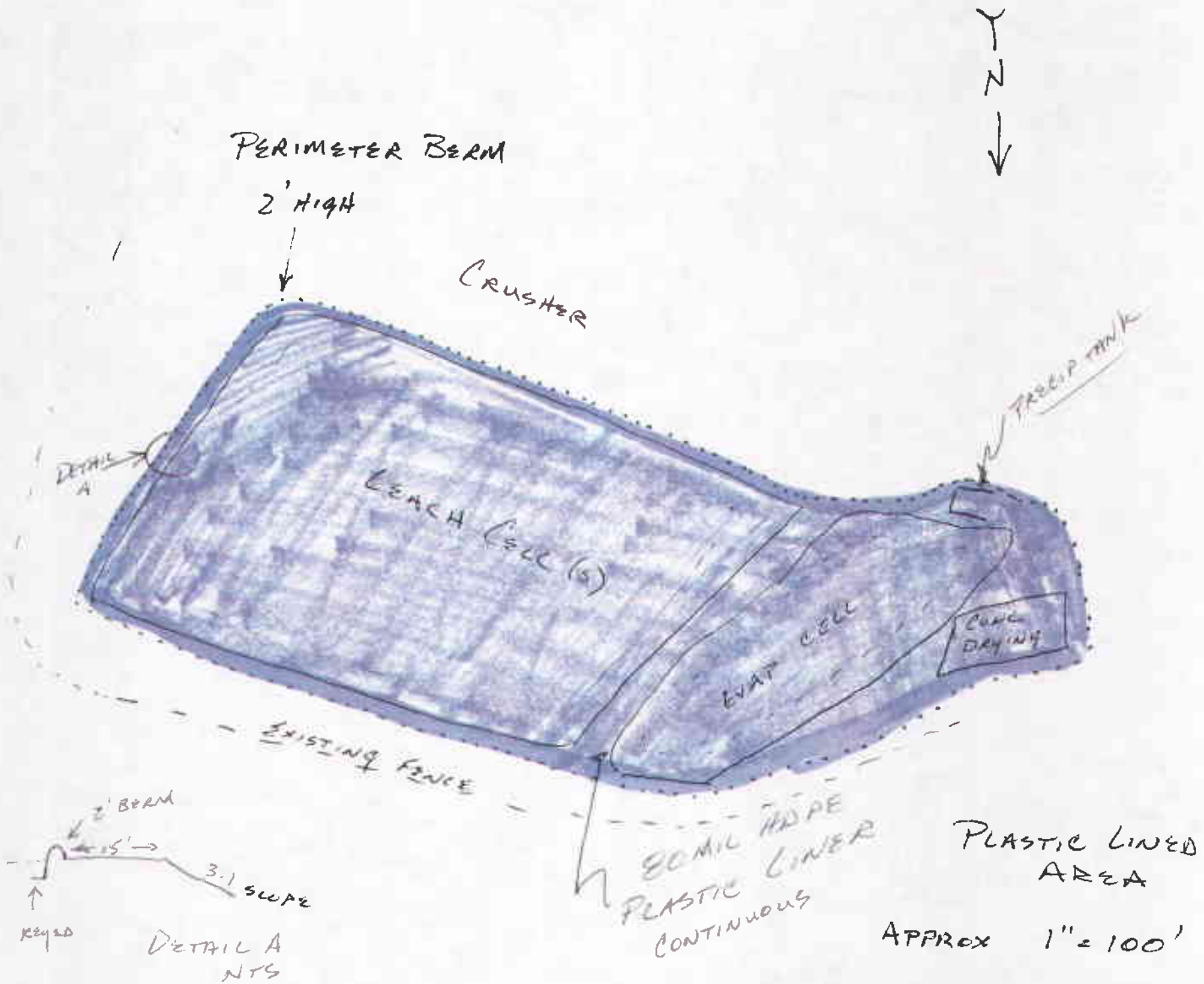


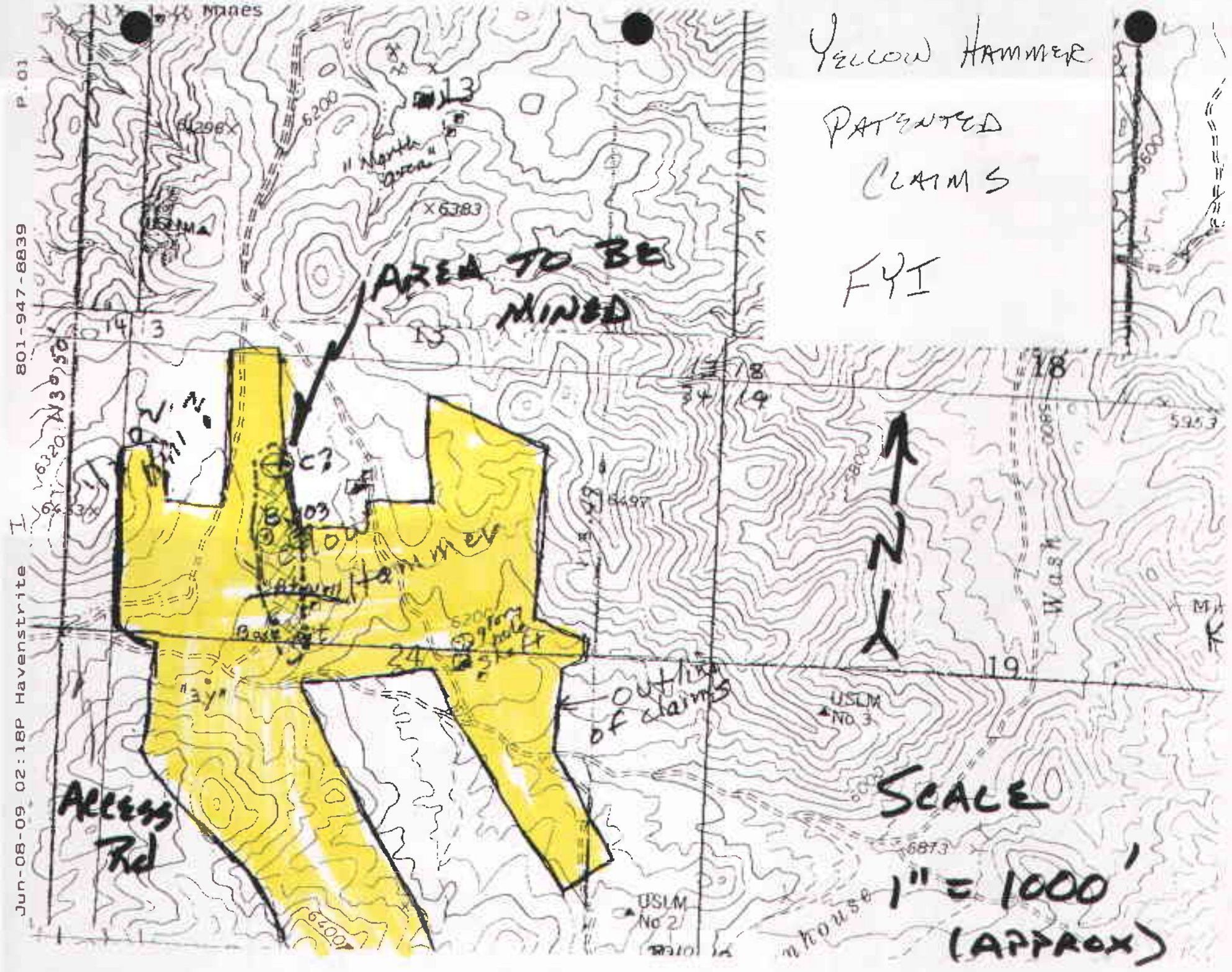
~ CROSS SECTION ~

THRU PONDS

APPROX

1" = 100'


N
PERIMETER BERM
2' HIGH
CRUSHER
DETAIL A
LEACH CELL (4)
TRICKLE TANK
EVAP CELL
CONC. DRYING
EXISTING FENCE
2' BERM
15'
3:1 SLOPE
KEYED
DETAIL A
NTS
60 MIL HDPE
PLASTIC LINER
CONTINUOUS
PLASTIC LINED
AREA
APPROX 1" = 100'



Mill Site


CRUSHER
AREA

111. Operation Plan

Junk equipment at the Cactus Mill site will be cleaned up and organized or discarded.

Test ore will be mined mainly from the Yellow Hammer. There may be some minor mining at Cane Springs. Mining and crushing will be primarily by contractor. All haulage will be on existing roads which will only need to be graded to use. Haul trucks will be 20 ton end dump trucks. Roads will be watered as needed to control dust.

The mined areas will be no more than 40' deep with slopes shallower than 3:1. Topsoil, where present will be dozed aside prior to mining and replaced thereafter. At no time will there be more than 5 acres of combined mining disturbance-- not reclaimed. Reclaimed areas will be re-seeded with an approved seed mixture.

Ore will be crushed to minus 1" at the Cactus Mill site and loaded into the lined cells.

Each cell is shaped to ensure 100% solution containment. Each cell will be approximately 10' deep. Solution volumes will be minimized during leaching-- with little standing water during leaching. There will be virtually no hydrostatic head on the plastic liner.

The vat area will be compacted to 95% on the Modified Proctor Scale-- ASTM1557. Geotechnical soil test results are attached-- last section of report. The cells will be lined by an independent contractor using 80 Mil HDPE-- massive overkill (attached). The entire area will be continuously underlain by the plastic including process areas.

The entire process area will be surrounded by a 2' berm to contain any spills within the process area.

All tanks, chemicals, solutions will be within the lined process area or the mill containment.

Copper ores will be leached with a weak sulfuric acid solution and copper precipitated using scrap iron. Bi-product copper produced will be sold as 65% pure copper precip.

An evaporation pond will be constructed to handle excess solutions if needed and the collection of iron sludge after precipitation. It may be converted to leaching if found it is not necessary.

Ore will be stacked in lifts of approximately 10' Depending on results of the tests, there may be as much as 30' stacked in a cell to test percolation and leaching characteristics.

1V. Reclamation Plan

Any material leached shall be neutralized and or rinsed when leaching is complete. The expected goal of this exercise is to prove the amenability of the ore for commercial leaching. We expect the leached material to be used as either over liner or low grade ore on the permanent gold heap which is in the process of being designed--in the nearby Clifton area.

The overall contour of the site will not be much different from what was originally planned. Any slopes (not expected) which end up greater than 3:1 will be dozed to 3:1. Revegitation will conform to the original plan.

V. Variance

No requests for variance are made

V11.(skipped V1. ?) Surety

Surety is already posted on the Cactus Mill Site ($42,000 and out of date) which is currently in poor repair. We will be cleaning it up, lining it and otherwise doing it a favor.

We would be will to post an additional $25,000 bond to allow proper reclamation.

Soil Specs

JAMES
EDWARD
ENGINEERING
INCORPORATED
9475 Double R Boulevard, Reno, NV 89521
Phone 775.828.1866 Fax 775.828.1871
1455 Deming Way, Suite 1C
Phone 775.331.1505 Fax 775.331.1258

SOIL CLASSIFICATION
ASTM D 1140 & 4318

PROJECT NAME:	Overhead Door
SOURCE:	
MATERIAL (USCS):	SC

PROJECT NUMBER:	1180.01
LAB LOG NO:	1325
DATE SAMPLED:	04/22/2009

			Grams	Pounds		
WET WEIGHT:	826.5	WEIGHT COARSE	4863.3	10.7	WGT BEFORE WASH	752.2
DRY WEIGHT:	752.2	WEIGHT FINE	27478.8	60.6	WGT AFTER WASH	610.6
% MOISTURE	9.9	% FINE - 3/8	83.7	83.8	% #200	18.8

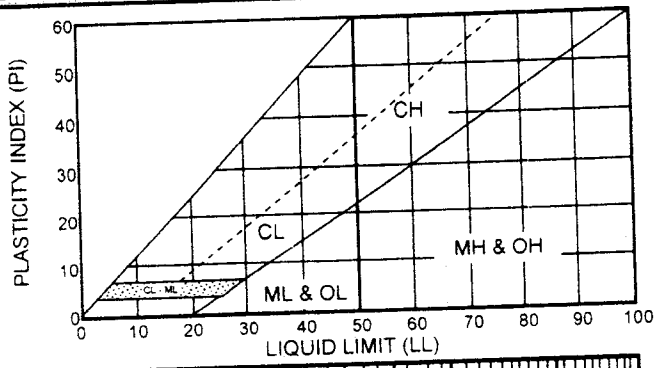
GRADATION

SIEVE SIZE	CUMULATIVE WEIGHT RETAINED	PERCENT RETAINED	PERCENT PASSING	ADJUST FOR SPLIT	SIEVE SIZE	CUMULATIVE WEIGHT RETAINED	PERCENT RETAINED	PERCENT PASSING	ADJUST FOR SPLIT
3		0.0	100.0	100	# 4	75.9	10.1	90	75
2	1293.6	4.0	96.0	96	# 10	187.2	24.9	75	63
1 1/2	1852.5	6.0	94.0	94	# 16	283.4	37.7	62	52
1	2432.7	8.0	92.0	92	# 40	467.2	62.1	38	32
3/4	3054.9	10.0	90.0	90	# 100	570.2	75.8	24	20
1/2	4585.4	15.0	85.0	85	# 200	607.6	80.8	19.2	16.1
3/8	4863.3	16.0	84.0	84	PAN	610.6	81		

ATTERBERG LIMITS

LIQUID LIMIT

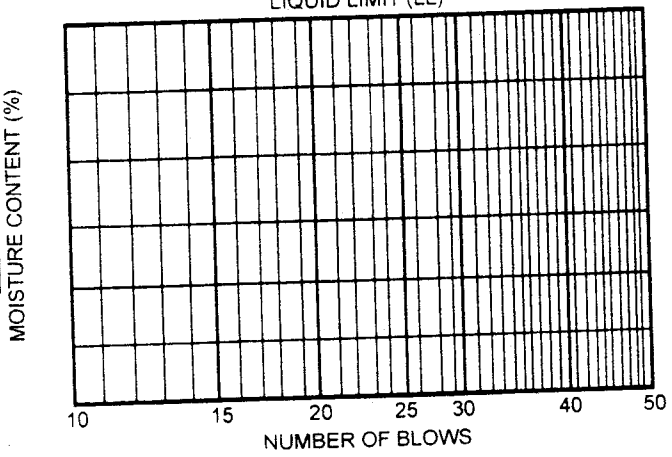
Can No.	G	X	B
Can + Wet Wt.	22.33	22.66	21.43
Can + Dry Wt.	19.81	20.01	18.95
Wt. Water	2.52	2.65	2.48
Wt. Tare	11.14	11.03	10.77
Dry Soil Wt.	8.67	8.98	8.18
% Moisture	29.1	29.5	30.3
No. Blows	29	24	21
LIQUID LIMIT	30	29	30



PLASTIC LIMIT

Can No.	H	Q	
Can + Wet Wt.	22.21	21.03	
Can + Dry Wt.	20.42	19.44	
Wt. Water	1.79	1.59	
Wt. Tare	11.09	11.12	
Dry Soil Wt.	9.33	8.32	
% Moisture	19.2	19.1	

LL= 30 PL= 19.0 PI= 11



JAMES
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1455 Deming Way, Suite 1C
Phone 775.331.1505 Fax 775.331.1258

MAXIMUM DRY DENSITY (ASTM D 698 & 1557)

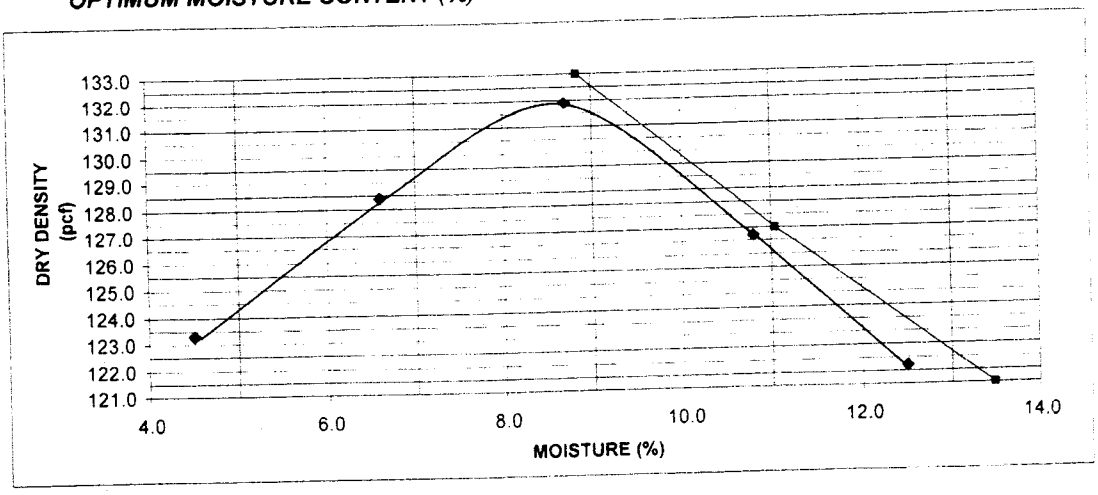
PROJECT NAME:	Overhead Door	PROJECT NUMBER:	1180.01
SOURCE:		LAB LOG NO:	1325
MATERIAL (USCS):	SC TECH: DK	DATE SAMPLED:	04/22/2009

CURVE SIZE (IN):	4		METHOD:		B
MOISTURE CHANGE (± %):	-6	-4	-2	0	2
MOLD + WET WEIGHT (GS):	3962.4	4083.6	4181.4	4136.9	4084.4
MOLD WEIGHT (GS):	2013.2	2013.2	2013.2	2013.2	2013.2
WET WEIGHT (GS):	1949.2	2070.4	2168.2	2123.7	2071.2
CONVERSION (GS):	0.06612	0.06612	0.06612	0.06612	0.06612
WET DENSITY (PCF):	128.9	136.9	143.4	140.4	136.9
WEIGHT WET SOIL (GS):	460.9	456.7	502	516.9	519.1
WEIGHT DRY SOIL (GS):	441	428.6	461.8	466.6	461.3
MOISTURE CONTENT (%):	4.5	6.6	8.7	10.8	12.5
DRY DENSITY (PCF):	123.3	128.4	131.9	126.7	121.7

SCREENED OVER 3/8			FINE	COARSE
WEIGHT RETAINED:	4863.3	WET WGT:	516.9	4863.8
WEIGHT PASSING:	27478.8	DRY WGT:	466.6	4863.8
TOTAL:	32342.1	% MOISTURE	10.8	0
		% RETAINED	83.6	16.4

3/8	WEIGHT DRY (GS)	3/8	BULK DRY SG	2.630
3/8	WEIGHT SSD (GS)	3/8	BULK SSD SG	#DIV/0!
3/8	WEIGHT IN WATER (GS)	3/8	APPARENT SG	#DIV/0!
3/8	ABSORPTION			#DIV/0!

		W ROCK CORRECTION
MAXIMUM DRY DENSITY (PCF)	***131.9***	***136.2***
OPTIMUM MOISTURE CONTENT (%)	***8.6***	***7.2***



amec

PROJECT:	Miscellaneous Laboratory Testing	**JOB NO:**	9419000747
CLIENT:	James Edward Engineering	**LAB NO:**	1251
MATERIAL:	Sample No. 1325	**DATE SAMPLED:**	5/8/2009
SAMPLE SOURCE:	Unknown	**SAMPLED BY:**	Client

Measurement of Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter (ASTM D 5084)

SAMPLE PREPARATION: Moisture conditioned to optimum moisture content.
METHOD OF COMPACTION: Moisture conditioned to optimum moisture content and compacted to 94-96 percent of maximum dry density.
TESTING METHOD: Method C: Falling Head Rising Tailwater

FIELD MOISTURE (%):	5.8	LAB MOISTURE (%):	7.0
INITIAL DIAMETER (cm):	10.160	FINAL DIAMETER (cm):	10.173
INITIAL LENGTH (cm):	11.684	FINAL LENGTH (cm):	11.722
INITIAL MOISTURE CONTENT (%):	6.9	FINAL MOISTURE CONTENT (%):	11.1

CONSOLIDATED? (Y/N):	Y	FINAL CONFINING PRESSURE (psi):	5
CELL PRESSURE (psi):	90		
BACKPRESSURE (psi):	85		

INITIAL DRY BULK DENSITY (lb/ft^3):	128.1
% OF ASTM D 1557 COMPACTION:	94.0
FINAL DRY BULK DENSITY (lb/ft^3):	127.3

FINAL B PARAMETER READING:	0.86	FINAL BACKPRESSURE (psi):	85

AVERAGE K_{sat}* (cm/s): **1.31E-04** **AVERAGE K_{sat}* (ft/day):** **3.70E-01**

MAXIMUM GRADIENT USED:	1.92
MINIMUM GRADIENT USED:	0.64

*Corrected to 20°C

Note: All final sample dimensions are subject to sample deformation caused by exsolution of air in pore water.

Plastic Specs

Actual 80 mil plastic attached

High Density Polyethylene Smooth Liner

Product Data

Property	Test Method	Values				
Thickness (min. ave.), mil (mm)	ASTM D5199*	30 (.75)	40 (1.0)	60 (1.5)	80 (2.0)	100 (2.5)
Thickness (lowest indiv.), mil (mm)	ASTM D5199*	27 (.68)	36 (.90)	54 (1.35)	72 (1.80)	90 (2.25)
*The thickness values may be changed due to project specifications (i.e., absolute minimum thickness)						
Density, g/cc, minimum	ASTM D792, Method B	0.94	0.94	0.94	0.94	0.94
Tensile Properties (ave. both directions)	ASTM D6693, Type IV					
Strength @ Yield (min. ave.), lb/in width (N/mm)	2 in/minute	66 (11.6)	88 (15.4)	132 (23.1)	176 (30.8)	220 (38.5)
Elongation @ Yield (min. ave.), % (GL=1.3in)	5 specimens in each direction	13	13	13	13	13
Strength @ Break (min. ave.), lb/in width (N/mm)		120 (21)	160 (28)	240 (42)	320 (56)	400 (70)
Elongation @ Break (min. ave.), % (GL=2.0in)		700	700	700	700	700
Tear Resistance (min. ave.), lbs. (N)	ASTM D1004	23 (102)	30 (133)	45 (200)	60 (267)	72 (320)
Puncture Resistance (min. ave.), lbs. (N)	ASTM D4833	60 (267)	80 (356)	120 (534)	160 (712)	190 (845)
Carbon Black Content (range in %)	ASTM D4218	2 - 3	2 - 3	2 - 3	2 - 3	2 - 3
Carbon Black Dispersion (Category)	ASTM D5596	Only near spherical agglomerates for 10 views: 9 views in Cat. 1 or 2, and 1 view in Cat. 3				
Stress Crack Resistance (Single Point NCTL), hours	ASTM D5397, Appendix	300	300	300	300	300
Oxidative Induction Time, minutes	ASTM D3895, 200°C, 1 atm O_2	≥100	≥100	≥100	≥100	≥100
Melt Flow Index, g/10 minutes	ASTM D1238, 190°C, 2.16kg	≤1.0	≤1.0	≤1.0	≤1.0	≤1.0
Oven Aging	ASTM D5721	80	80	80	80	80
with HP OIT, (% retained after 90 days)	ASTM D5885, 150°C, 500psi O_2					
UV Resistance	GRI GM11	20hr. Cycle @ 75°C/4 hr. dark condensation @ 60°C				
with HP OIT, (% retained after 1600 hours)	ASTM D5885, 150°C, 500psi O_2	50	50	50	50	50

These product specifications meet or exceed GRI's GM13

Supply Information (Standard Roll Dimensions)

Thickness		Width		Length		Area (approx.)		Weight (average)	
mil	mm	ft	m	ft	m	ft^2	m^2	lbs	kg
30	.75	23	7	803.8	245	18,461	1,715	3,050	1,383
40	1.0	23	7	649.6	198	14,919	1,386	3,075	1,395
60	1.5	23	7	419.9	128	9,645	896	3,006	1,364
80	2.0	23	7	321.5	98	7,384	686	3,067	1,391
100	2.5	23	7	249.3	76	5,727	532	3,006	1,364

Notes:

All rolls are supplied with two slings. All rolls are wound on a 6 inch core. Special roll lengths are available on request.
All roll lengths and widths have a tolerance of ±1%

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